



# Central Texas Telephone Cooperative, Inc.

*"Your Telecommunications Link to the World"*

November 11, 2016

**Via ECFS**

Marlene H. Dortch, Secretary  
Office of the Secretary  
Federal Communications Commission  
445 12<sup>th</sup> Street, S.W.  
Washington, DC 20554

**Re: WC Docket No. 10-90**

Dear Ms. Dortch:

In response to the Federal Communications Commission ("FCC" or "Commission") Wireline Competition Bureau ("Bureau") Public Notice, released November 2, 2016 requesting comments on measures to be considered concerning "the high level of interest in A-CAM model-based support,"<sup>1</sup> Central Texas Telephone Cooperative, Inc. ("Central Texas") provides the following comments.

Central Texas is one of the 216 rate-of-return companies that elected Alternative Connect America Cost Model ("A-CAM") support earlier this month. The certainty provided by A-CAM is quite popular and A-CAM is now in a state of "oversubscription."<sup>2</sup> As a result, the Commission and rural industry are faced with difficult budget decisions. At the very least, based on the overwhelming demand for A-CAM funding and need for adequate and predictable

<sup>1</sup> *Wireline Competition Bureau Announces Results of Rate-of-Return Carriers that Accepted Offer of Model Support*, Public Notice, WC Docket No. 10-90, DA 16-1246 (November 2, 2016).

<sup>2</sup> *See Ex Parte Letter from Michael R. Romano, Senior Vice President, NTCA, to Marlene H. Dortch, Secretary, Federal Communications Commission, WC Docket No. 10-90 (filed November 7, 2016).*

*Serving the Rural Areas of Central Texas*

1012 Reilley ~ PO Box 627  
Goldthwaite TX 76844

Phones: (325) 648-2237  
(800) 535-8904

Fax: (325) 938-5606  
[www.centex.net](http://www.centex.net)

funding to provide broadband services, circumstances most certainly warrant the Commission's proposed allocation of an additional \$50 million annually to the current A-CAM budget.<sup>3</sup>

The allocation of an additional \$50 million would still leave an A-CAM budget deficit of roughly \$110 million annually.<sup>4</sup> Central Texas suggests that the Commission reduce the current 90 percent 10/1 Mbps availability threshold to a level necessary to maintain the A-CAM budget. From a public policy standpoint, it makes economic sense to target funding to areas most in need of broadband infrastructure as measured by 10/1 penetration ratios. While such a proposal will necessarily preclude many companies from participating in A-CAM, it is administratively simple, reasonable, and fair in light of limited budget resources.

Should you have any questions or require additional information, please do not hesitate to contact the undersigned.

Respectfully submitted,



Jamey Wigley  
General Manager  
Central Texas Telephone Cooperative, Inc.

cc: Carol Matthey  
Suzanne Yelen  
Katie King

---

<sup>3</sup> *Rate-of-Return Reform Order*, 31 FCC at 3112-13, para. 62.

<sup>4</sup> Central Texas agrees with NTCA that the reformed universal service programs are underfunded. *See* Ex Parte Letter from Michael R. Romano, Senior Vice President, NTCA, to Marlene H. Dortch, Secretary, Federal Communications Commission, WC Docket No. 10-90 (filed November 9, 2016).